



| Particulars | Year | RPO% | Non Solar | | Solar |
|---|----------------|---------------|--------------|--------------|--------------|
| | | | Wind | Biomass | |
| RPO regulations, 2010 | 2010-11 | 5.00% | 4.50% | 0.25% | 0.25% |
| | 2011-12 | 6.00% | 5.00% | 0.50% | 0.50% |
| | 2012-13 | 7.00% | 5.50% | 0.50% | 1.00% |
| 1 st Amendment Regulations, 2014 | 2013-14 | 7.00% | 5.50% | 0.50% | 1.00% |
| | 2014-15 | 8.00% | 6.25% | 0.50% | 1.25% |
| | 2015-16 | 9.00% | 7.00% | 0.50% | 1.50% |
| | 2016-17 | 10.00% | 7.75% | 0.50% | 1.75% |
| 2 nd Amendment Regulations, 2018 | 2017-18 | 10.00% | 7.75% | 0.50% | 1.75% |
| | 2018-19 | 12.70% | 7.95% | 0.50% | 4.25% |
| | 2019-20 | 14.30% | 8.05% | 0.75% | 5.50% |
| | 2020-21 | 15.65% | 8.15% | 0.75% | 6.75% |
| | 2021-22 | 17.00% | 8.25% | 0.75% | 8.00% |

1.6 It is evident from the table above that initially Hon'ble GERC vide stipulating RPO Regulations had been specifying yearly RPO% in a gradual incremental manner but there has been a steep rise in RPO% notified in 2nd Amendment Regulations, 2018 on 21.04.2018 especially solar RPO%.

1.7 It is imperative to mention that after knowing the prescribed RPO%, the Obligated Entities need at least 6 - 8 months' time to plan their capacity tie-up arrangements and implement tendering process for procurement of power from Wind and/or Solar Projects by floating tender(s), conducting pre-bid meeting(s), technical bid opening, financial bid opening & e-reverse auction and thereafter issue letters of award & execute PPAs with the Successful Bidders. Thereafter, the Successful Bidders require 18 - 24 months' period to set up the Projects awarded to them.

1.8 Thus, inspite of making efforts for aggressive capacity tie-up, such sudden increase in RPO% cannot be complied by any Distribution Licensees since capacity and generation therefrom would only be available after the lapse of almost two - three years.





2.0 SUBMISSION

2.1 Earlier, Hon'ble Commission had been determining preferential tariff for procurement of power by Distribution Licensees from various Renewable Energy (RE) Sources for meeting of Renewable Power Purchase Obligation (RPO). In order to meet the RPO of its Distribution Companies, GUVNL had been purchasing power from various RE Sources by entering into Power Purchase Agreements at the tariff determined by Hon'ble Commission.

2.2 Subsequently, pursuant to the directives of Hon'ble Commission vide letter dated 18.03.2017 for procurement of power from Wind and Solar projects only through Competitive Bidding, GUVNL has conducted various rounds of Competitive Bidding processes for procurement of power from Wind and Solar PV Projects.

2.3 Hon'ble GERC vide letter dated 21.09.2020 has stated that since FY 2019-20 is already over, it is necessary to monitor and verify the RPO Compliances of Obligated Entities / Licensees for FY 2019-20 and directed the Distribution Licensees to file Petition with necessary details / documents for RPO Compliance for FY 2019-20 as per GERC (Conduct of Business) Regulations, 2004 and pay the requisite fees as per GERC (Fees, Fines and Charges), Regulations 2005.

2.4 As on 31st March 2020, the RE Capacity tied up by GUVNL (incl. tied up under REC Mechanism) is tabulated hereinbelow.

| Source | Capacity (MW) tied up as on 31.03.2020 |
|-----------------------|--|
| Wind [#] | 4353.6 |
| Solar [*] | 3537.2 |
| Biomass | 30 |
| Small Hydel | 21.6 |
| Municipal Solid Waste | 67.8 |
| Total | 8010 |

[#] Terminated 30 MW Wind (awarded under Competitive Bidding - Phase I)

^{*} Another 350 MW Solar (Phase VIII) PPAs executed in July-2020

Another 700 MW Solar (Dholera Park) LoAs issued in Oct-2020

Another 100 MW Solar (Raghnesda Park) concluded and pending for Hon'ble GERC's approval



NOTARY
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2.5 The status of RPO compliance for FY 2019-20 for all four DISCOMs is as under:

| RPO Compliance for FY 2019-20 | Wind | Solar | Others | Total |
|--------------------------------------|-------|--------|--------|---------|
| Actual Total Consumption (MUs) | | | | 92705 ✓ |
| Less: Hydro Power Purchase (MUs) | | | | 1849 |
| Actual Consumption excl. hydro (MUs) | | | | 90856 ✓ |
| Target RPO% notified by Hon'ble GERC | 8.05% | 5.50% | 0.75% | 14.30% |
| Target RPO (MUs) | 7314 | 4997 | 681 | 12992 |
| Actual RE Purchase (MUs) | 8325 | 3270 | 343 | 11938 |
| Achieved RPO% | 9.16% | 3.60% | 0.38% | 13.14% |
| Shortfall (-) / Excess (+) (MUs) | 1011 | -1727 | -338 | -1054 |
| Shortfall (-) / Excess (+) (%) | 1.11% | -1.90% | -0.37% | -1.16% |

2.6 As regard to the Non-Solar RPO of FY 2019-20, it is to humbly submit that GUVNL / DISCOMs have purchased 8668 MUs non-solar energy i.e. 9.54% as against requirement of 7995 MUs i.e. 8.80% prescribed non-solar RPO%. As regard to the Solar RPO of FY 2019-20, GUVNL / DISCOMs have purchased 3270 MUs solar energy i.e. 3.60% against requirement of 4997 MUs to meet the stipulated solar RPO of 5.50%.

2.7 Thus, there is excess purchase of non-solar energy to the tune of 637 MUs during FY 2019-20 which is eligible to get compensated against 1727 MUs shortfall in purchase of solar energy in accordance with Regulation 4.1 of RPO Regulations. Thus, the net shortfall in compliance of total RPO compliance for FY 2019-20 is 1054 MUs i.e. 1.16%.

2.8 As regard to the shortfall in RPO Compliance during FY 2019-20, it is pertinent to submit the following before Hon'ble Commission:-

A. Constraints in availability of Renewable Energy / Inadequate capacity addition

- The Competitive Bidding Process initiated by GUVNL for procurement of power from Wind and Solar Projects were

